

# Development Company-to-Client Relationship in LeSS: What Do You Need To Know?

Presented @ ScrumDayUkraine



# About Gene

Gene Gendel is an organizational design specialist, agile/lean coach and trainer, consultant and adviser to senior leadership. Almost 15 of 20+ years of his professional experience – Gene dedicated to working with companies of various sizes and lines of business, trying to help them improve internal dynamics, organizational structure and and becoming a better place to work. Gene engages at all organizational levels: senior- and mid-level management, teams and individuals. In his work, Gene uses various methods, tools and techniques to amplify learning by others and to ensure that people gain autonomy after Gene “coaches himself out of the job”.

Gene is Certified Agile Coach (CAC), by Scrum Alliance – small elite community of Scrum Alliance Certified Enterprise Coaches (CEC). Today, he is the only CEC who resides in NY State. Gene is also one of the co-creators of Team Level Coaching Certifications (CTC) program for Scrum Alliance.

Gene is also one of very few Certified LeSS Trainers (CLT) that are based in the United States.

He is also well-recognized blogger and publisher. He is the author of Adaptive Ecosystems: Collection of Independent Essays About Agility and co-author of:

- Agile Coaching: Wisdom from Practitioners (free pdf).
- Best Agile Articles of 2017 and 2018



Gene significantly contributes to global and local agile communities, where he influences people by running workshops, webinars, seminars, panel discussions, lunch & learn, coaching retreats, professional gatherings and other events. While teaching and coaching Large Scale Scrum (LeSS) to organizations, Gene has built the biggest in world (today) LeSS meetup community that is used as a free educational hub about LeSS available to many people.

<http://www.keystepstosuccess.com/>

# Assets To Consider

- [gg\\_nyc@yahoo.com](mailto:gg_nyc@yahoo.com) (underscore)
- <https://less.works/>
- <https://www.meetup.com/Large-Scale-Scrum-LeSS-in-NYC/>
- [https://join.slack.com/t/kstsconsulting/shared\\_invite/zt-dr3bqtxg-HFX6Ke1~AdbIEOIUJY0gEg](https://join.slack.com/t/kstsconsulting/shared_invite/zt-dr3bqtxg-HFX6Ke1~AdbIEOIUJY0gEg) (Gene's free Slack channel – ask questions about LeSS)
- LeSS On-Line Training
  - [5/20-22 Certified LeSS Basics](#)
  - [5/25-27 \(12 PM EST\) Certified LeSS Basics](#)
  - [5/25-27 \(7 PM EST\) Certified LeSS Basics](#)



# Synopsis

*A client-company had a lot of experience, dealing with far-off-shore outsourcing firms, promising golden mountains under a blue sky, but then delivering poor quality software, while overrunning expected costs and providing a low transparency of their process.*

*Along the way, a client-company was hurt, more than once, relying on big consultancies with complex, so-called ""agile"" scaling frameworks. A client-company wants to try something different....*

*This time around, a client company wants to have full transparency into the process and have delivery of potentially shippable product increment (PSPI) every sprint, as well as have a close interaction with their technology partners.*

*A client-company was able to identify a real Product Owner who will spearhead this effort and who wants to use Large-Scale Scrum (LeSS). Does your company understand Scrum down cold? Does your company understand Large Scale Scrum (LeSS)? Option 3 on this graphic: <https://less.works/.../who-is-the-product-owner-in-different-...>*

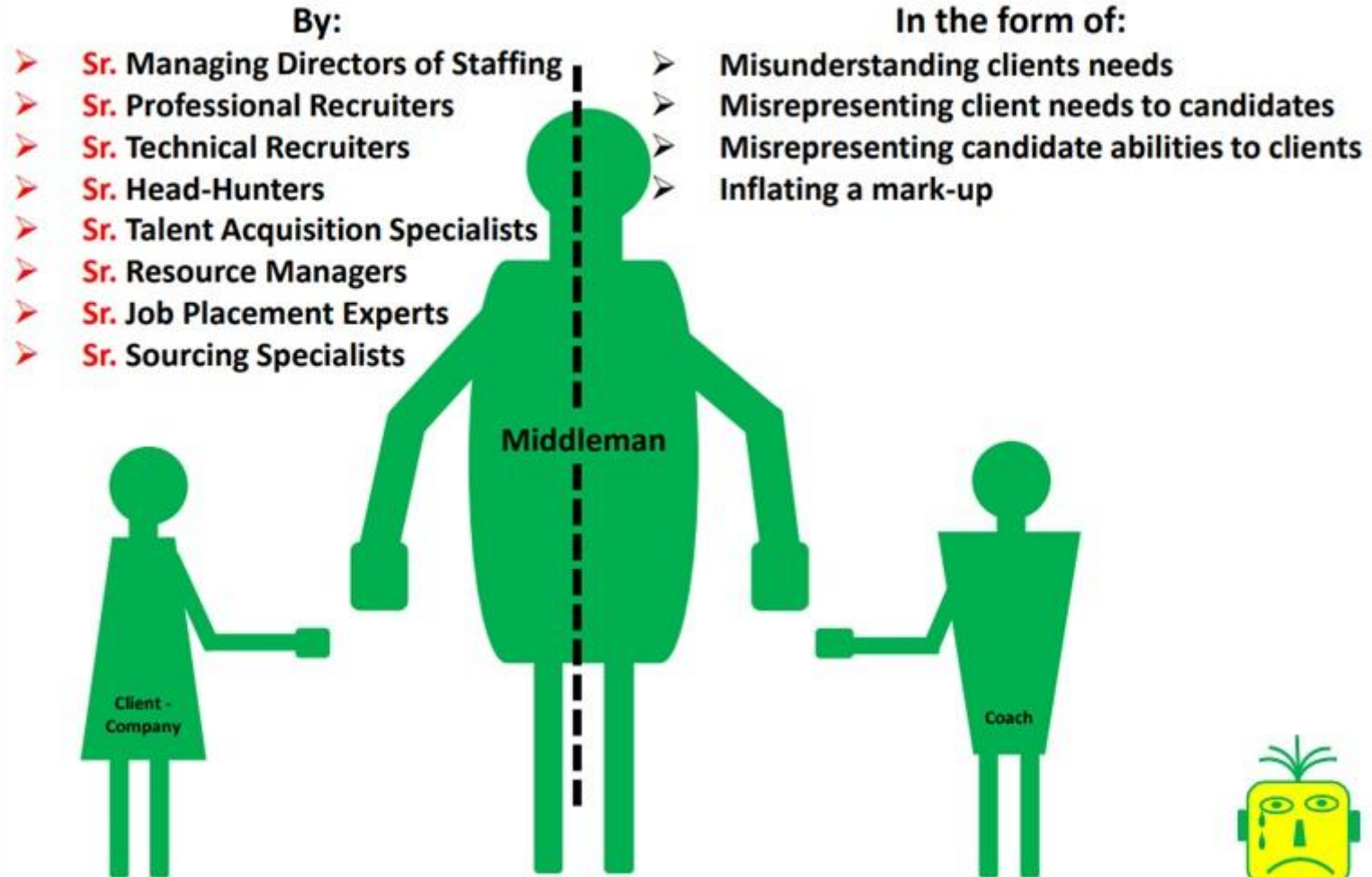
*Does it have very seasoned Scrum Masters on staff, who can coach teams during LeSS product development effort? Can you make this first partnership with a new client into a success?""*

# Knowledge Is Power

**Предупрежден -  
Значит Вооружен**

# Client-Companies Suffer From

## Middleman Problem: Low (very) Value Proposition



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# Client-Companies Suffer From

## “Triple Taxation” on Client Companies

**Big Consultancies**  
(supported by  
recruiting agencies),  
advising of “Tool +  
Framework” Big-Bang  
Agile Transformations

**“Agile” Tools**,  
supportive of  
Big Bang “Agile  
Frameworks”

Large,  
Commercially  
Successful **“Big-  
Bang Agile”  
Frameworks”**



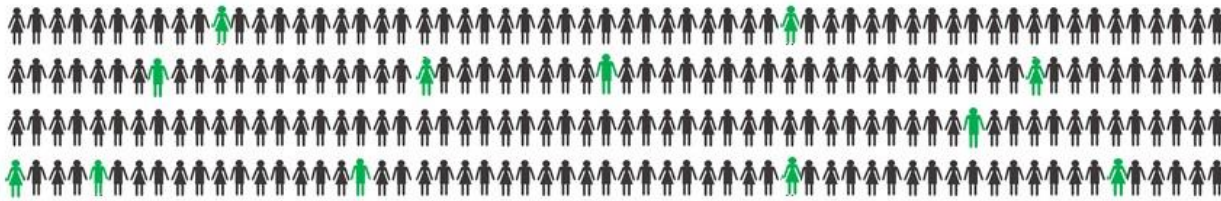
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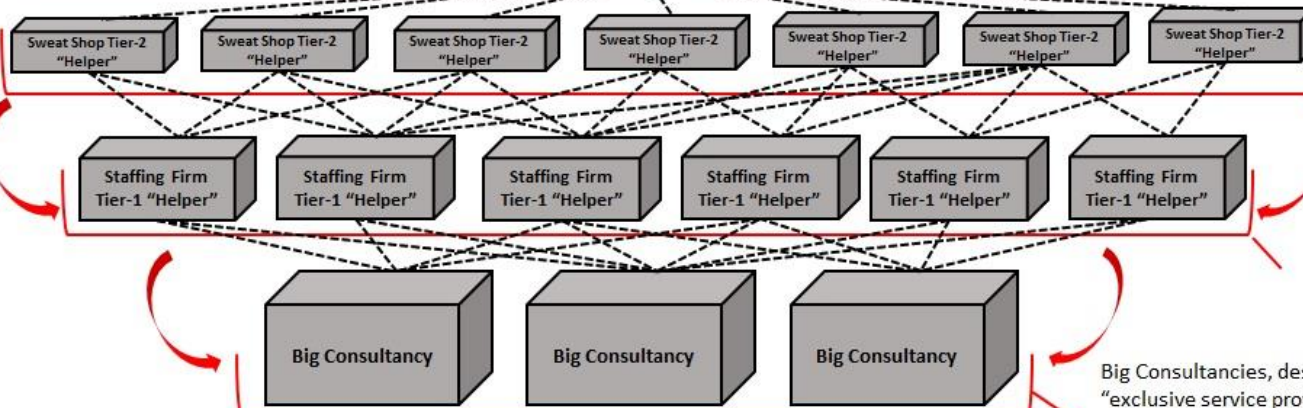
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# Client-Companies Suffer From:

## “Resource-Processing Food Chain”



A huge pool of workers, with the word “agile”, in their public profile. Majority of these people are at risk of being displaced from their traditional roles, now wanting to become agile coaches, as per Larman’s Law #4. Amongst them, there is a tiny fraction of **really experienced coaches** that are very hard to find in this huge mix.



Remote site-based, “boiler room”-“sweat-shop” style companies, full of VOIP cold-callers that call, text and email every person, whose public profile contains the word “agile” - this is an “agile leads” generation factory.  
**People work for an extremely low pay.**

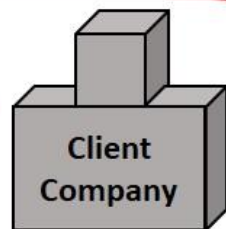
Staffing firms, aggressively trying to hunt for resources, while using primitive (border-line unethical) screening techniques, to submit a heavy volume of profiles to Big Consultancies.  
**People work for a very small mark-up fee.**

Big Consultancies, desperately fighting for an opportunity to become an “exclusive service provider” to Client. While not having their own internal expertise (usually, their consultants are *not* coaches), to meet Client’s needs, they now have to hunt for additional resources to fill a gap.  
**Big Consultancies charge Client Companies a lot of money.**

Client Companies that have a shortage of their own internal agile expertise to meet demand for quality training, coaching and organizational design advisory. They naively rely on “best practices” and thick power point decks, presented by Large Consultancies – long time preferred vendors that are great at traditional staffing and cookie-cutting “installations” of heavy frameworks.



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# Client-Companies Suffer From

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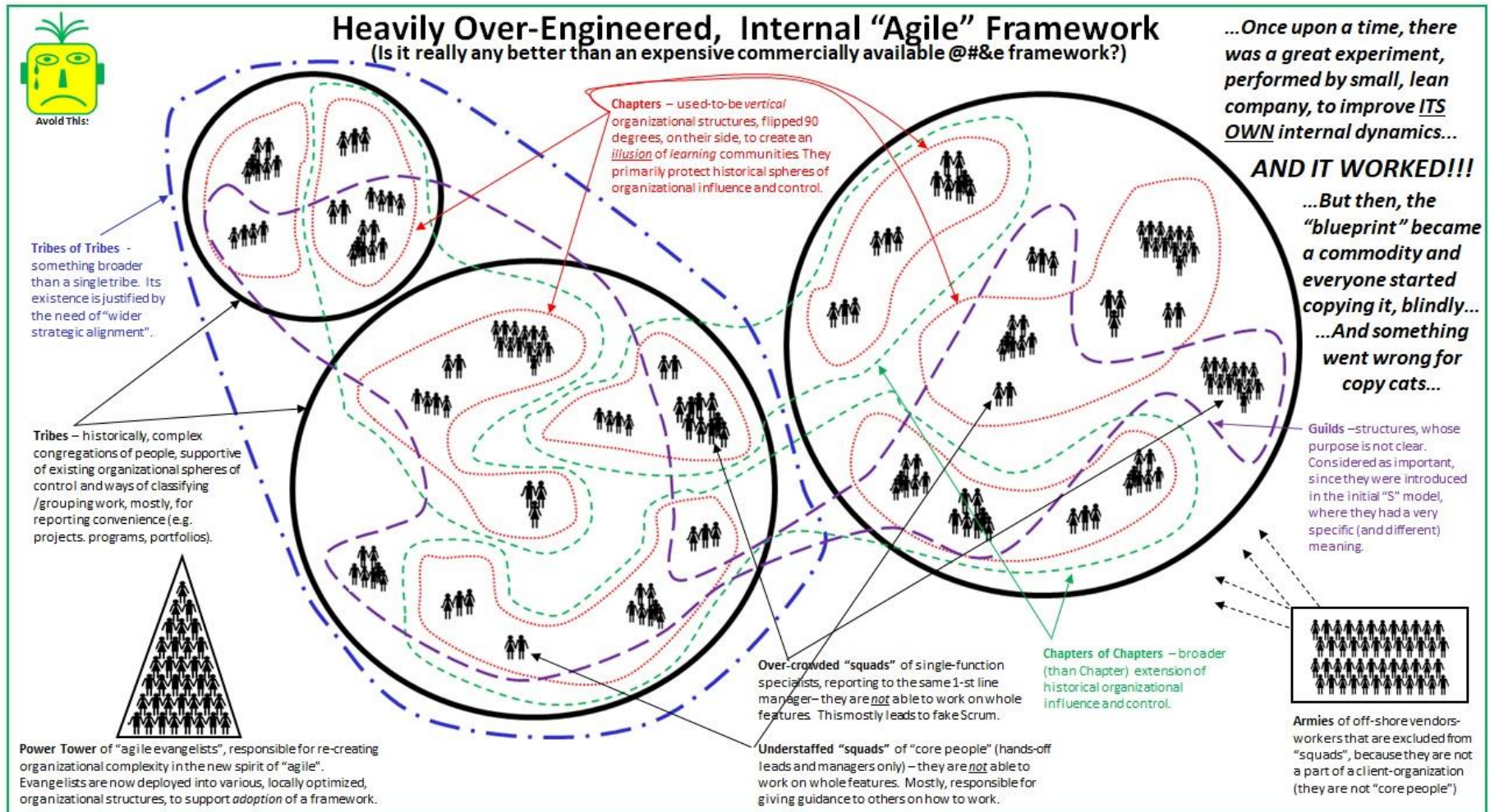


**Avoid  
(Deck – Driven Transformations)**

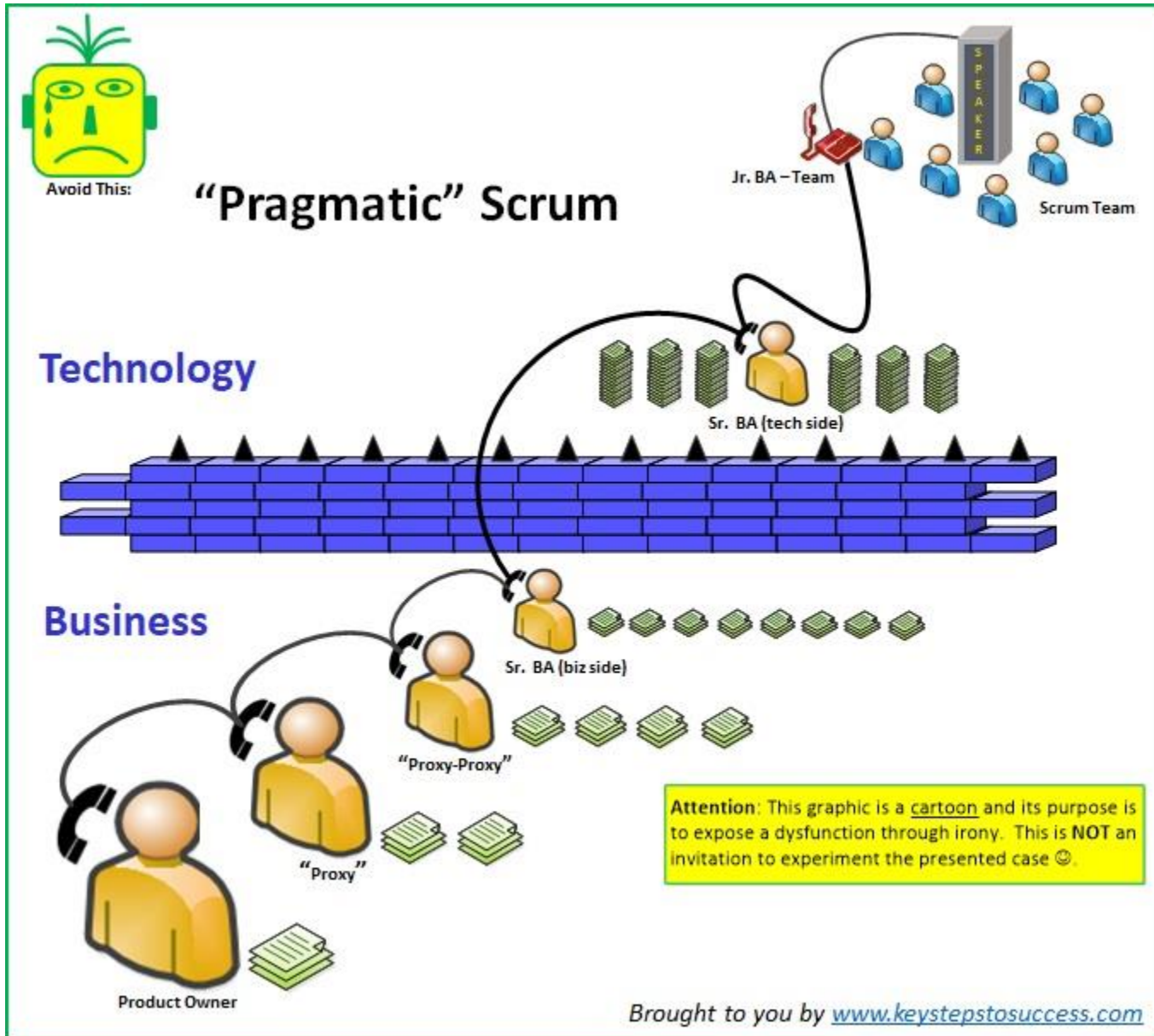
**DDT**

***Knowledge retention and quality of learning are inversely proportional to thickness of a power point 'agile transformation' deck and directly proportional to font size used in a deck ;)***

# Client-Companies Suffer From



# Client-Companies Suffer From





# Client-Companies Suffer From

## Scrum Blind Date [with Mask Show]

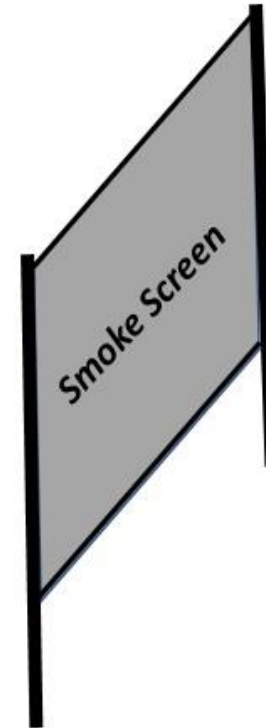


Scrum Team

...while **Team** wishes to have a real **Scrum Master** (servant-leader, promoter and supporter of Scrum process), AND a real **Product Owner** (empowered person, responsible for management and prioritization of Product/Backlog)....



***This is  
What  
Team  
Gets***



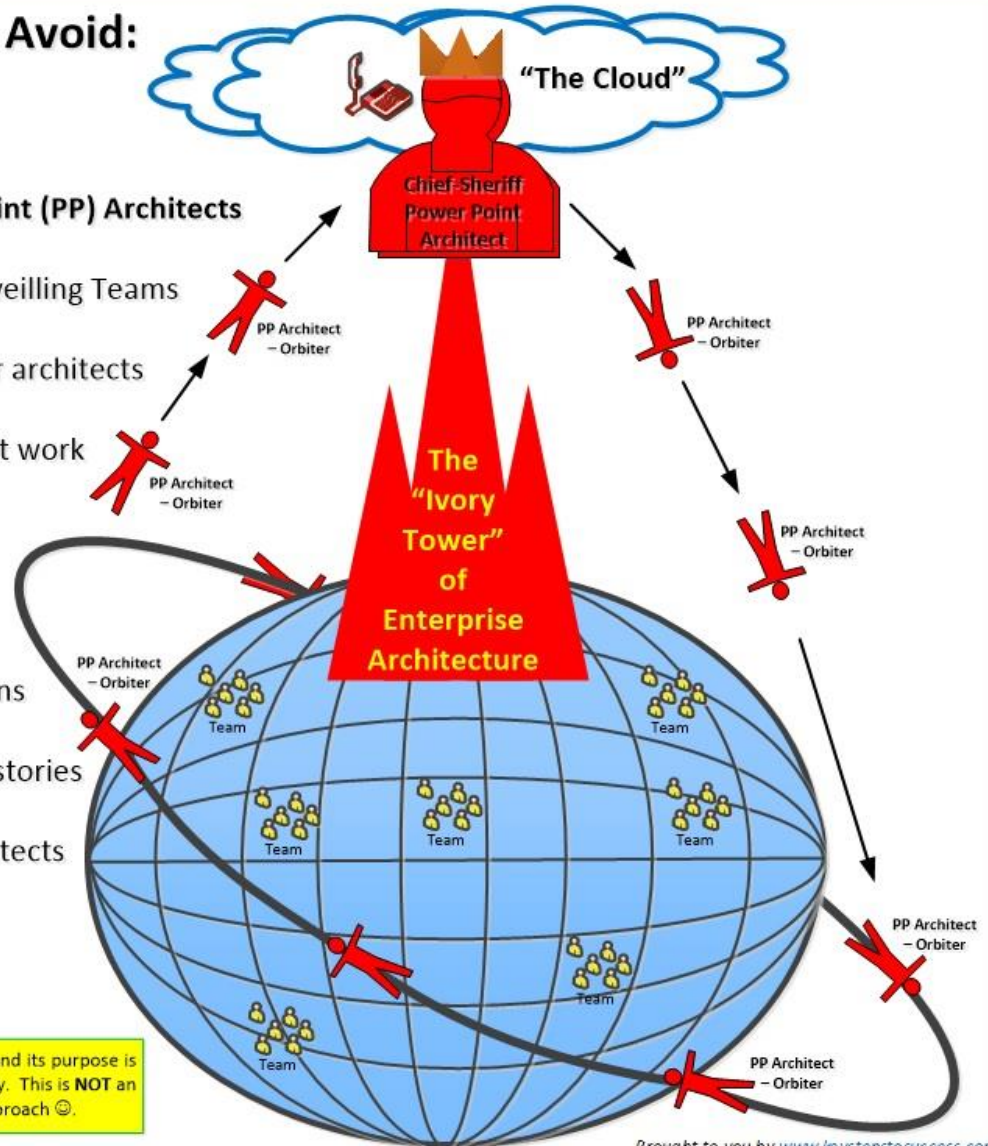
...organization assigns any historically abundant, but frequently unsuitable candidates to fulfill these two important Scrum roles, and by doing so, adds challenges, dysfunctions and inefficiencies to the Scrum process... Such classic organizational mistakes, as internal contractual relationships, bureaucracy, overhead and local optimization, find their way into Scrum and adversely impact its dynamics...

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# Client-Companies Suffer From

## Typical Problems to Avoid:

- Building architecture 'towers'/silos
- Reliance on **Chiefs-Sheriffs Power Point (PP) Architects**
- Squads of **PP Architects-Orbiters**, surveilling Teams
- Separate reporting structures, just for architects
- Architects, not doing any development work
- Local Optimization in architecture
- Architecture "away" from Business
- "One-size-fits-all" architecture solutions
- Architecture work streams, backlogs, stories
- Reliance on expensive vendors - architects



Avoid This:

**Attention:** This graphic is a cartoon and its purpose is to expose a dysfunction through irony. This is **NOT** an invitation to experiment with this approach ☹.

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# LeSS Is Scrum with 2-8 Teams

**LeSS is not:** Many teams doing their own Scrum

**LeSS is:** 2-8 teams scrumping together (on same Product)



**YES**



**NO**

# Understand Agile Contracts



5/20-22 Certified LeSS Basics

5/25-27 (12 PM EST) Certified LeSS Basics

5/25-27 (7 PM EST) Certified LeSS Basics



OCTOBER 2019

M	T	W	T	F	S	S
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21	22	23	24	25	26	27
28	29	30	31			
« Sep						Nov »

07/15-17 – LeSS Day Europe  
2020 | Online

AGILE, BEHAVIORAL SCIENCE, COACHING, KANBAN, NORMS & PRINCIPLES,  
ORGANIZATIONAL DESIGN, SCRUM, TEAM DYNAMICS, TRAINING,  
TRANSFORMATION

## ABOUT CONTRACTS THAT SUPPORT AGILE WAYS OF WORKING

🕒 OCTOBER 6, 2019 👤 GENE 💬 LEAVE A COMMENT

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One of various under-served (ignored) dimensions of agile transformations that frequently limit an organization's success, there is one that requires *special attention*.

It is **vendor management** that can be traced back to **legal contracts** between a client company and supplier/vendor.

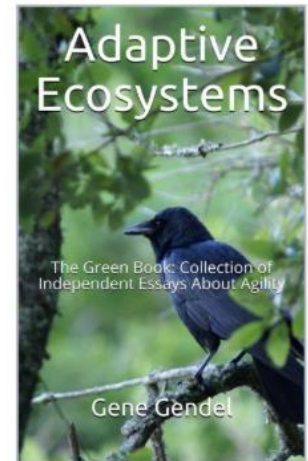
Vendor management norms and guidelines define relationships and interaction between a company's own employees and external workers, individually and in team-level settings. Unfortunately, this issue is not always obvious and therefore, is neither explicitly raised by inexperienced agile coaches, nor adequately addressed by senior leadership that is satisfied with limited results (could be also a sign of complacency).



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<http://www.keystepstosuccess.com/2019/10/about-contracts-that-support-agile-ways-of-working/>



# Understand Agile Contracts

## AGILE CONTRACTS PRIMER

Derived from the book...

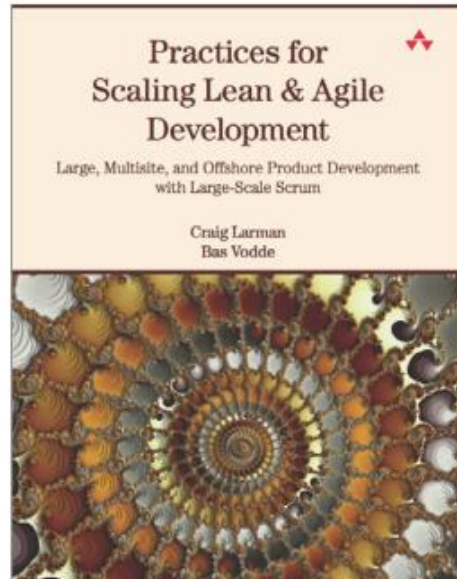
*Practices for Scaling Lean & Agile Development:  
Large, Multisite, & Offshore Product Development with Large-Scale Scrum*

by Tom Arbogast, Craig Larman, and Bas Vodde

Version 5

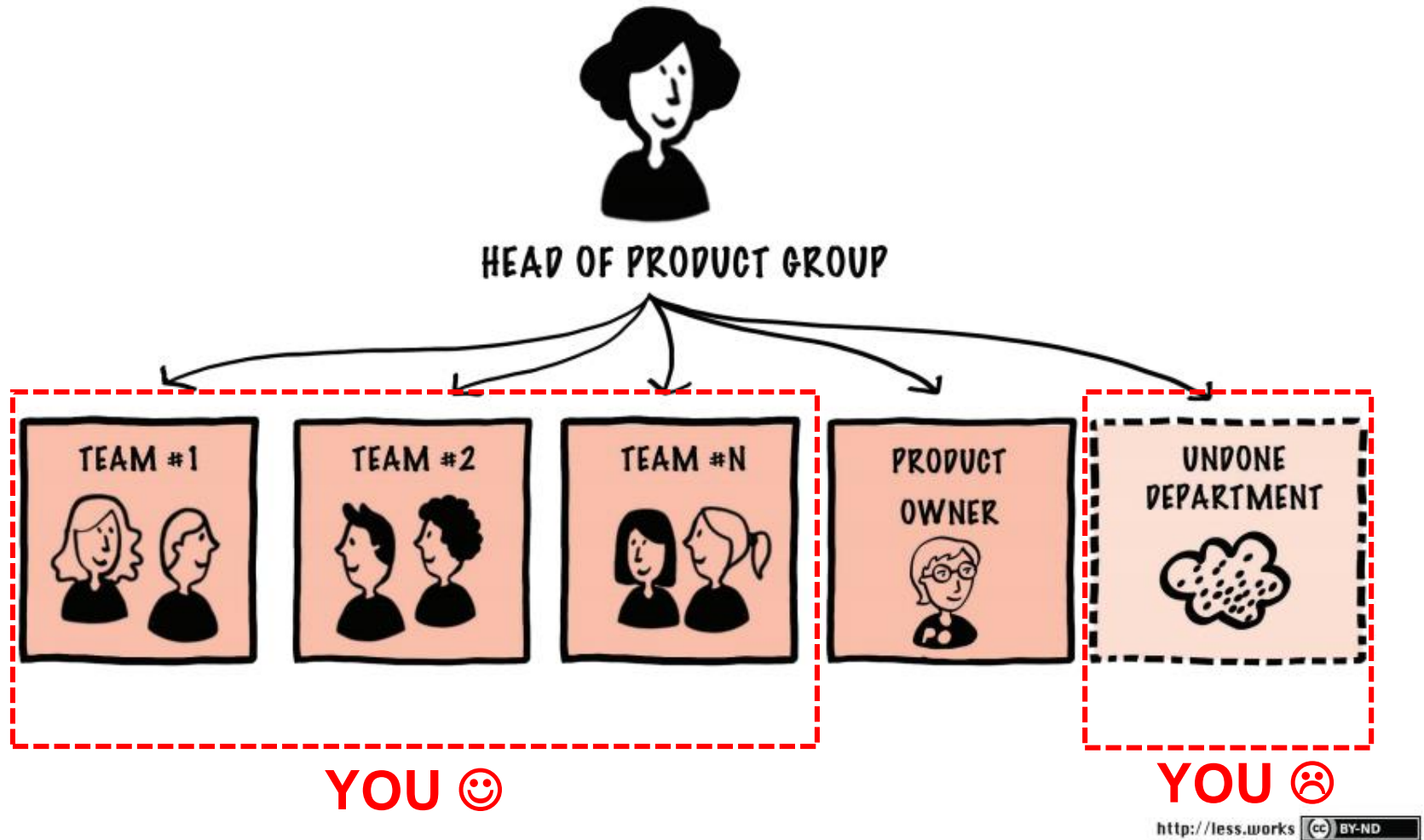
*Please send us comments for future versions, at [www.agilecontracts.org](http://www.agilecontracts.org).*

*Note: Check website for latest version; share the URL (rather than file) to keep up-to-date.*



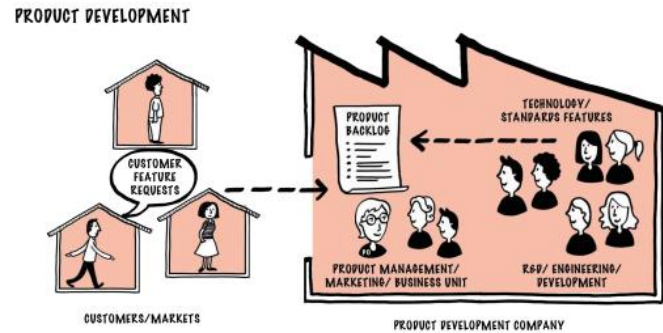
1	<b>Introduction</b>	1
2	<b>Large-Scale Scrum</b>	9
	<b>Action Tools</b>	
3	<b>Test</b>	23
4	<b>Product Management</b>	99
5	<b>Planning</b>	155
6	<b>Coordination</b>	189
7	<b>Requirements &amp; PBIs</b>	215
8	<b>Design &amp; Architecture</b>	281
9	<b>Legacy Code</b>	333
10	<b>Continuous Integration</b>	351
11	<b>Inspect &amp; Adapt</b>	373
12	<b>Multisite</b>	413
13	<b>Offshore</b>	445
14	<b>Contracts</b>	499 ←

# Types of Product Ownership

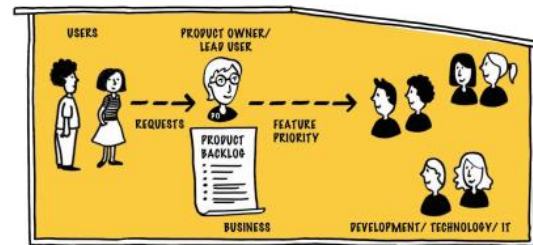


<https://less.works/img/structure/typical-less-organizational-chart.pdf>

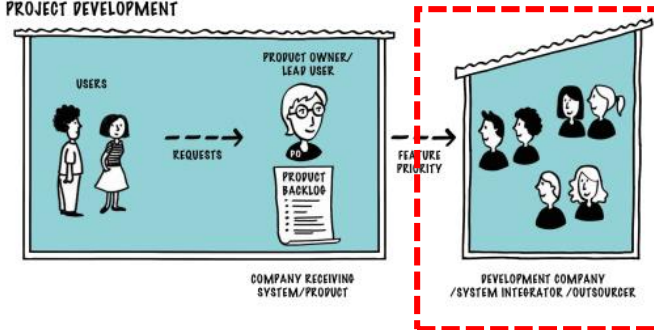
# Types of Product Ownership



## INTERNAL (PRODUCT) DEVELOPMENT



## PROJECT DEVELOPMENT



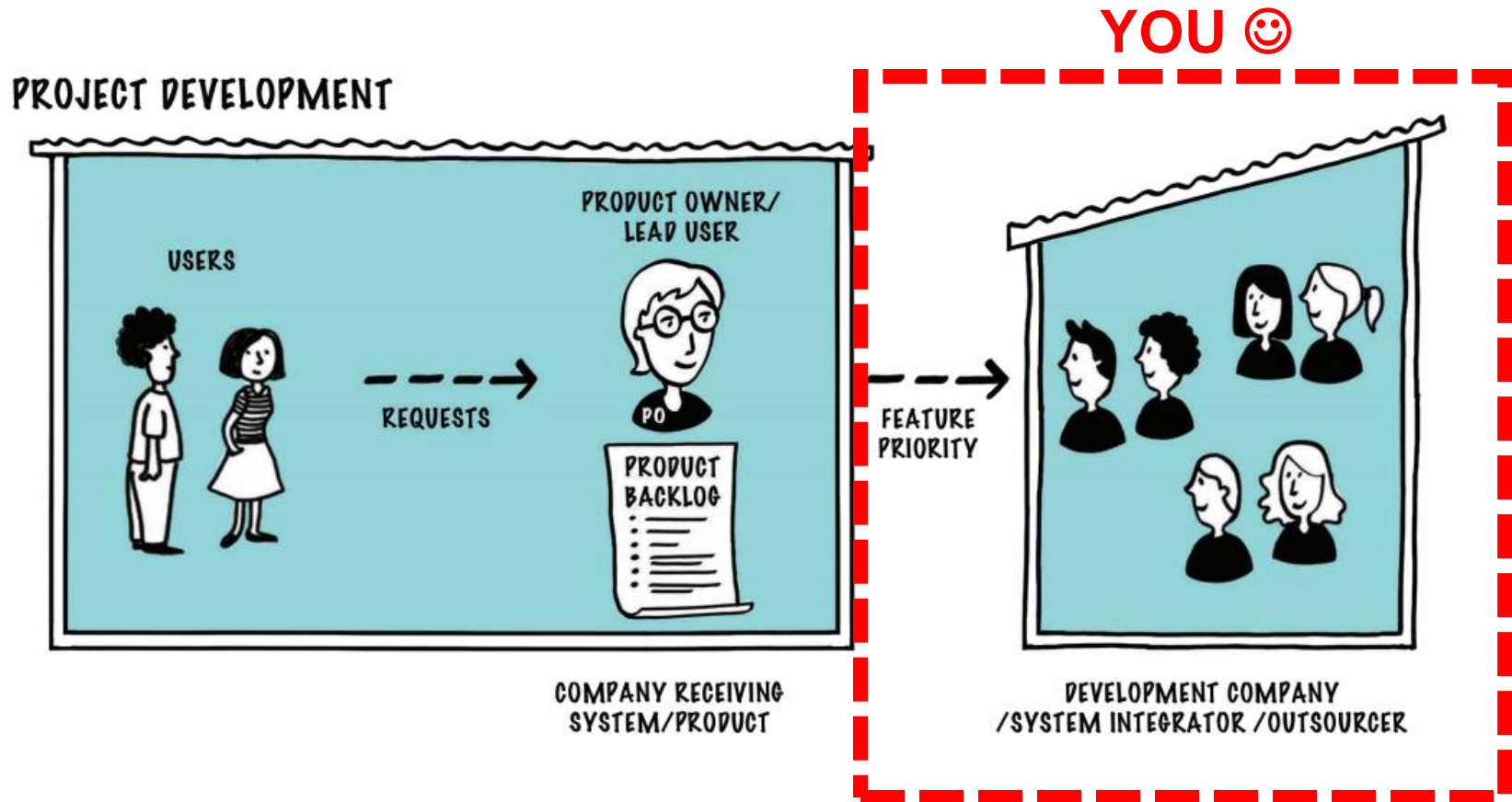
YOU 😊

<http://less.works/> BY AND

<https://less.works/img/framework/who-is-the-product-owner-in-different-types-of-development.pdf>



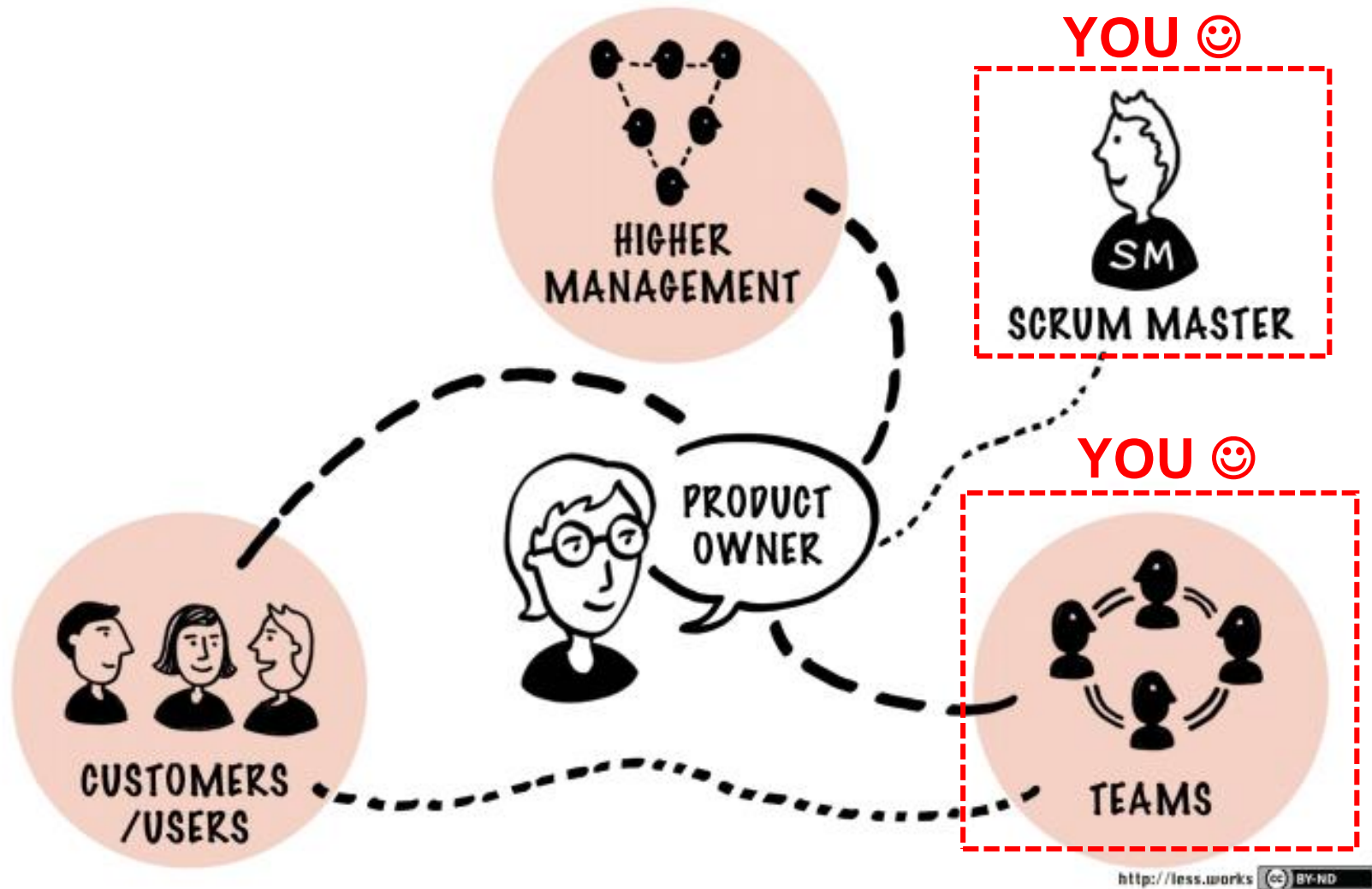
# Types of Product Ownership



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# Product Owner Relationships in LeSS



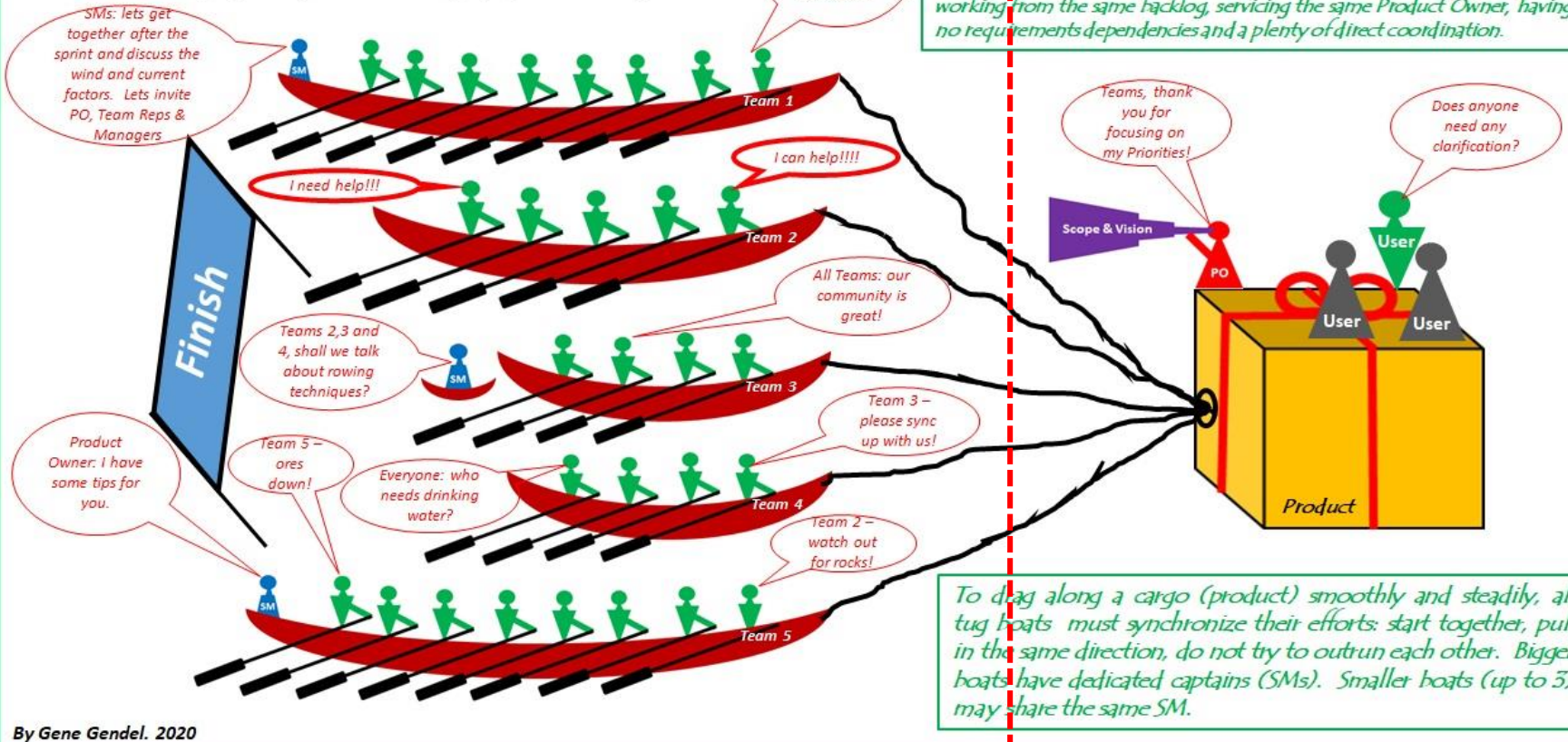
# Teams' Cadence in LeSS

YOU 😊

- One Product-level sprint
- Whole Product focus
- Shared Definition of Done (DoD) by all teams
- Teams working together/communicating by: "just talk" or "just scream"

*LeSS - is NOT many teams, doing their own Scrum, sprinting ad-hoc, working from separate team backlogs, servicing different Product Owners, dealing lots of dependencies and coordination.*

*LeSS - IS Scrum, done by multiple (2-8) teams, sprinting together, working from the same backlog, servicing the same Product Owner, having no requirements dependencies and a plenty of direct coordination.*



<https://less.works/trainer-graphical-representations/gene-gendel/one-sprint.jpg>

# Knowledge Is Power

**Предупрежден -  
Значит Вооружен**

# APPENDIX



# Less is More

## Scaling Organizational Adaptiveness (a.k.a. “Agility”) with Large Scale Scrum (LeSS)

Organizational De-Scaling / Flattening

Organizational de-scaling (flattening) takes months and years to complete and from a high perspective, looks like a gradual process.

However, throughout this long process, there are many phases (bursts) of: comprehensive preparation, followed by a organizational “flipping”.



Diagram created by Gene Gendel

### LeSS

**Simplified** (flatter) and **inverted** (senior leadership is in supportive function) **organizational design**. **System Optimization**. Reduction of: silos, hand-overs. Scrum is implemented by coordinated, feature-centric teams (2-8), building the same, widely defined Product/serving the same Product Owner. Scrum is the main building block of IT org. structure. Teams are collocated. Teams strive to ‘own’ their decisions, not ‘rent’ from others. Adoption of LeSS is “**deep & narrow**”, not “**broad and shallow**”; no Big Bang transformation attempts.

**Multi-site development** - used for multiple locations. Reliance of technical **Mentoring** and **Communities**. No subsystem code ownership. Reduction of ‘undone’ work. Focus on **Customer value**. Support of Senior Leadership. **Involvement of HR**, supporting the concept of **job security, not role security**.

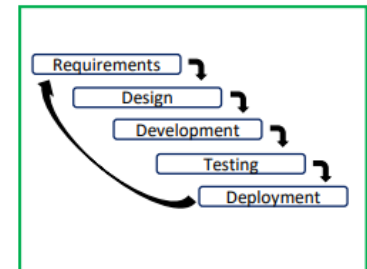
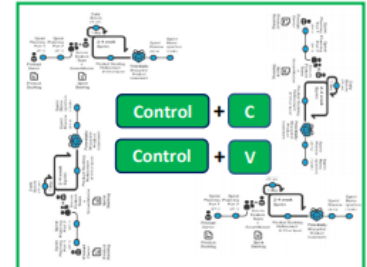
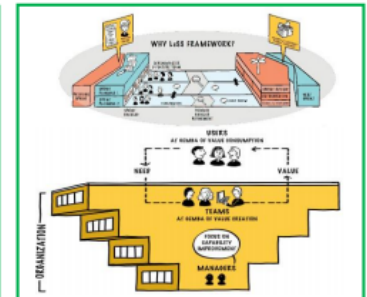
*Transition from independent basic Scrum, performed by multiple teams to LeSS, is a desirable approach, when a product is widely defined and real Product Owner is identified*

### Scrum

**Copy-paste scaling** (no conscious scaling strategy) of Scrum throughout an organization: many teams doing their ‘own’ Scrum. Frequently manifested, when there is an internal competition between departments or company areas, on e.g. “*who is going to have more scrum teams by e.g. end-of-year*”. True product definition is weak. Cases of using **Scrum for component-centric development** are frequent (often, the result of trying to meet goals of agile transformation (% annually), set at enterprise level. This results in massive integration problems that need to be resolved by adding “**integration/stabilization**” sprints. Importance of **Scrum dynamics and roles** is viewed as **secondary**, to existing organizational structures and blueprints. Too many single-specialty experts and very few T-shaped workers. **No meaningful HR changes**.

### Waterfall

**Complex organizational design**. Domains of single-function expertise, ownership and control. Numerous silos, hand-offs and translational layers between component teams, single-function specialty groups, and technology and business, overall. **Internal contracts and blame-shifting** strongly prevail. Long cycle “from concept to cash”. **Local optimization** by single-specialty workers/departments. **Theory X management** – is the primary way to manage/treat individuals. **HR** – putting a lot of emphasis on performance appraisals and individual ownership; manipulating workers with **subjective bonuses**; fostering an environment of **internal competition** and “**I am the best and you are not**” attitude. Weak definition of product value, from a stand-point of a paying customer. Manifestation of **Larman's Laws of Organizational Behavior**.



Graphics are courtesy of <https://less.works>

Scaling Scrum

Waterfall

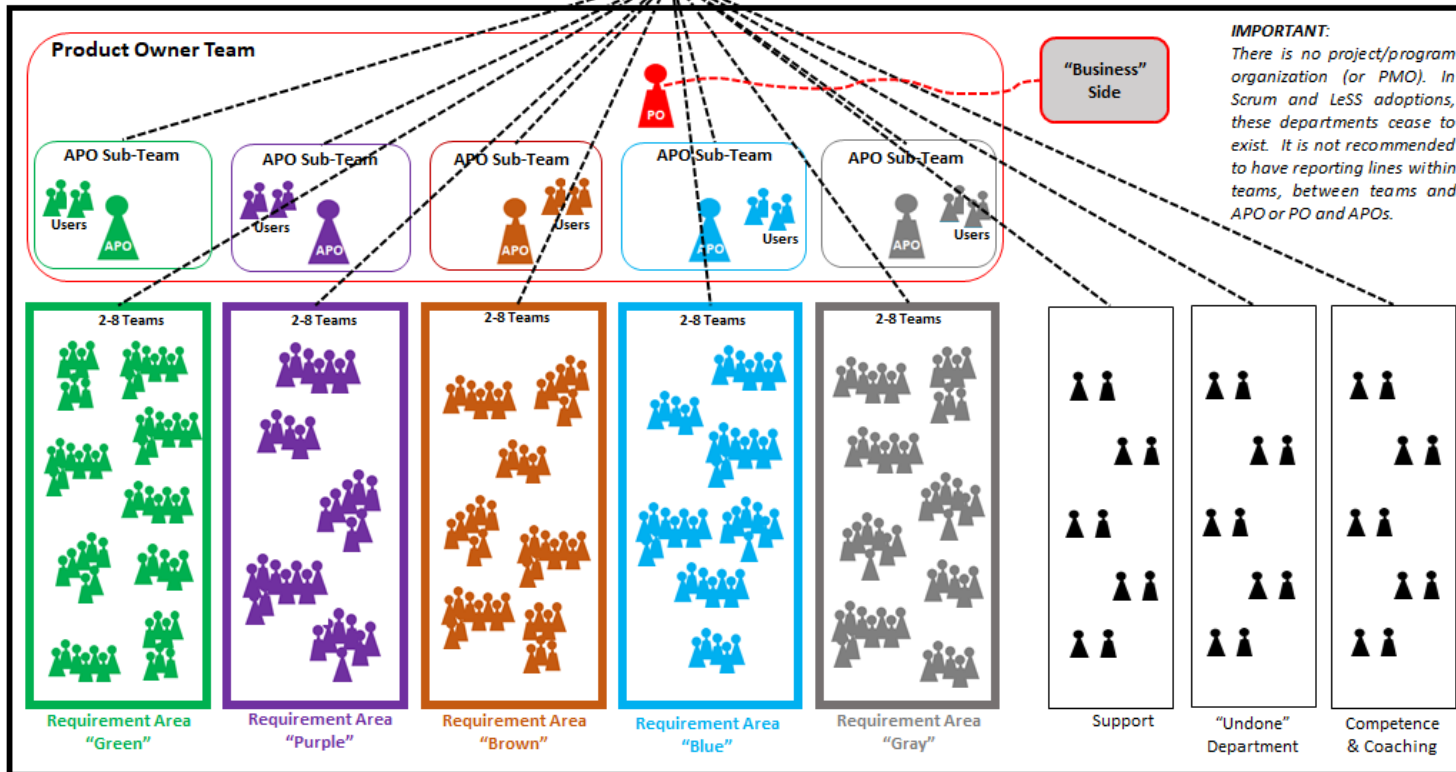
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# Relationships in LeSS

## Guide: TRY.... Keeping LeSS Huge Organizational Reporting Structure As Flat and Simple As Possible

**Product Owner Team**— Product Owner plus all Area Product Owners. Conceptually, the same as in a LeSS structure. In huge LeSS Huge, there are also APO Sub-Teams that are, essentially, what is Product Owner team is in LeSS. Each APO Sub-Team consists of Area Product Owner and customers/users that can help APO with clarification and other daily work (**NOT** departments of analysts, specification writers, UI/UX designers, or architects).

**Head of Product Group** - most likely, a traditional “head of product group”. Whereas the whole group supports teams by Go See and help them remove obstacles and improve, Head of Product Group plays the *role of the line manager* of all the teams, whatever that is called in your organization. Product Owner Team members (including APO Sub-Teams) and all developers from teams in requirement areas, as well as people in other supportive organizational structures (e.g. support, ‘undone’ department, competence & coaching) -all report to Head of Product Group. **Note:** Since LeSS organizations don’t have matrix structures, there are no dotted-line managers.



**Undone department** - e.g. test, QA, architecture, or business analysts - they should not exist in the smaller LeSS framework groups; rather, they should be integrated into the teams. Undone department is still frequently seen, in some LeSS adoptions, as they often cross organizational boundaries. A goal in every LeSS adoption should be to remove an undone department.

**Support** - In a LeSS Huge organization, it typically centralizes some support because of the massive volume of work. Still, this department should be as small as possible with the attitude “How can we help?” rather than “Take it this way!” This department is less likely to exist in smaller LeSS organizations, where teams support each other without the need for a separate, centralized group.

**Competence and Coaching (technical, organizational)** - group consists of skillful practitioner-experts who actively Go See and observe how people work. They pair up and work with people to discover their training and coaching needs.

By Gene Gendel. 2020